

AN ORDINANCE **98789**

**AUTHORIZING THE CITY MANAGER OR HER DESIGNEE TO EXERCISE AND EXECUTE A SECOND ONE-YEAR OPTION TO RENEW THE CONTRACT WITH PROGRESSIVE FINANCIAL SERVICES, INC. FOR THE COLLECTION OF DELINQUENT PARKING FINES FOR THE PERIOD FROM JANUARY 1, 2004 THROUGH DECEMBER 31, 2004.**

\* \* \* \* \*

**WHEREAS**, Section 682 of the Texas Transportation Code contains provisions that allow certain municipalities to declare the violation of city ordinances relating to parking and stopping vehicles to be civil offenses; and

**WHEREAS**, the City of San Antonio (the "City"), in Ordinance Number 65690 dated September 10, 1987, made this declaration and also prescribed the fines, costs and fees associated with the violation of these offenses; and

**WHEREAS**, on December 3, 1999, a comprehensive request for proposal ("RFP") was developed and issued by the Municipal Court Department with a total of five (5) firms submitting proposals; and

**WHEREAS**, the RFP specified that delinquent parking citations would be referred to the vendor for collection 180 days after delinquency, encompassing approximately 40% of the total parking fine cases unresolved by City efforts to collect by mailing up to three notices to the registered owner of the vehicle, as well as towing or "booting" vehicles for failure to pay these fines; and

**WHEREAS**, an evaluation committee comprised of representatives from the Municipal Court, Finance, Office of Management and Budget, Information Technology Services and Economic Development departments evaluated the proposals; and

**WHEREAS**, Progressive Financial Services, Inc. ("PFS") received the highest number of scoring points and was recommended by the evaluation committee as the appropriate candidate to which the contract might be awarded; and

**WHEREAS**, on December 14, 2000, City Council approved Ordinance Number 93103 and authorized the execution of a two (2) year professional service contract, with two (2) one-year renewal options, with PFS for the collection of City delinquent parking fines with the initial two (2) year contract period beginning on January 1, 2001 and ending on December 31, 2002; and

**WHEREAS**, the contract specifies that if the City elects to exercise its option to renew the contract, the City agrees to pay PFS a fee of sixteen percent (16%) of the net amount collected for any year the contract is renewed but, if at the end of the renewal period, the City determines that PFS has achieved an overall Effective Collection Rate (also known as the "Incentive Collection Rate") of at least 35%, then the City shall pay PFS an additional four percent (4%) of the total net amount collected; and

**WHEREAS**, Ordinance Number 96938, approved on December 19, 2002, authorized exercising the first one-year renewal option for the period January 1, 2003 through December 31, 2003; and

**WHEREAS**, after a thorough review of PFS collection performance as well as proposed collection rates and fees provided from other vendors in December 1999, staff recommends renewal of the one-year option under the contract with PFS based on its highly trained staff capable of providing quality customer service with knowledge and experience in the collection of delinquent parking fines, because the aggregate 20% fee on the amount recovered is one of the lowest in the state and the City may escrow 4% of the collection fee until the Incentive Collection Rate is achieved, and because PFS has delivered comparable collection rates to contractors engaged in other cities; and

**WHEREAS**, PFS has the resources necessary to locate parking violators and obtain voluntary compliance with court orders and will continue to assist Municipal Courts with the enforcement of those court orders; and

**WHEREAS**, PFS has shown a commitment to maintaining a high standard of service, professional conduct and business ethics in dealing with the public; and

**WHEREAS**, the City Council finds that it is in the best interests of the City of San Antonio to exercise the second option to renew the contract with PFS; **NOW THEREFORE:**

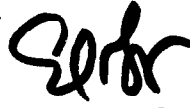
**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:**

**SECTION 1.** The City Council hereby approves a second one-year option to renew the contract with Progressive Financial Services, Inc. for the collection of delinquent parking fines for the period from January 1, 2004 through December 31, 2004, a signed copy of which is attached hereto and incorporated herein as Attachment I.

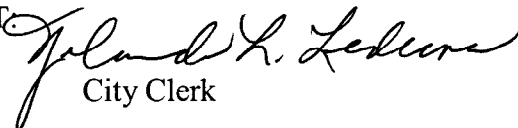
**SECTION 2.** The City Manager or her designee is authorized, for a forty-five (45) day period from the effective date of this ordinance, to execute an agreed renewal as approved in Section 1.

**SECTION 3.** This ordinance shall be effective on and after the tenth (10th) day after passage hereof.

PASSED AND APPROVED this 5th day of February, 2004.

  
M A Y O R  
EDWARD D. GARZA

ATTEST:

  
City Clerk

APPROVED AS TO FORM: \_\_\_\_\_

  
for City Attorney